

# Fiscal Year 2015 Budget

May 19, 2014

[www.Concordnh.gov](http://www.Concordnh.gov)



# Overview

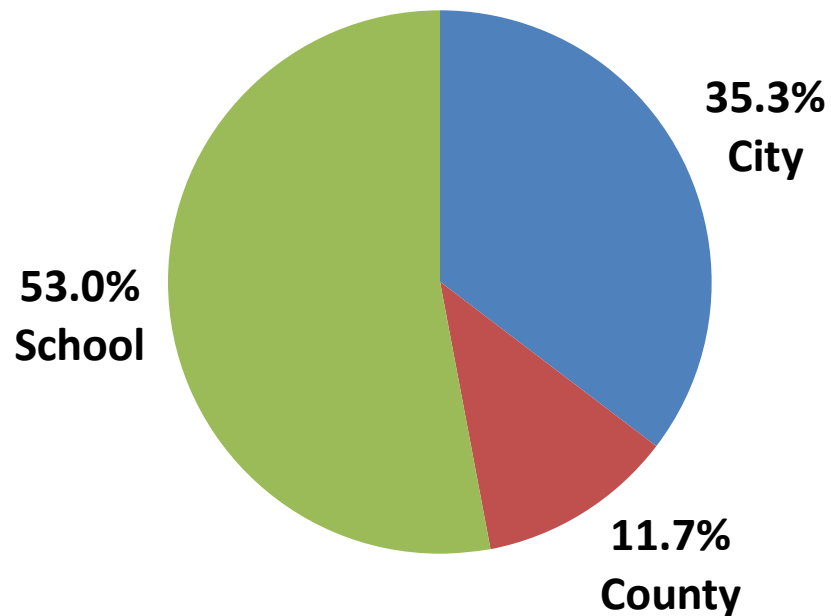
- Guiding Principles
- Concord & Penacook Tax Rates
- Bond Rating
- A Few Comparisons
- Financial Notes
- Fiscal Year 2015 Budget: Operating & Capital
- Need to Focus on Going Forward

# Guiding Principles

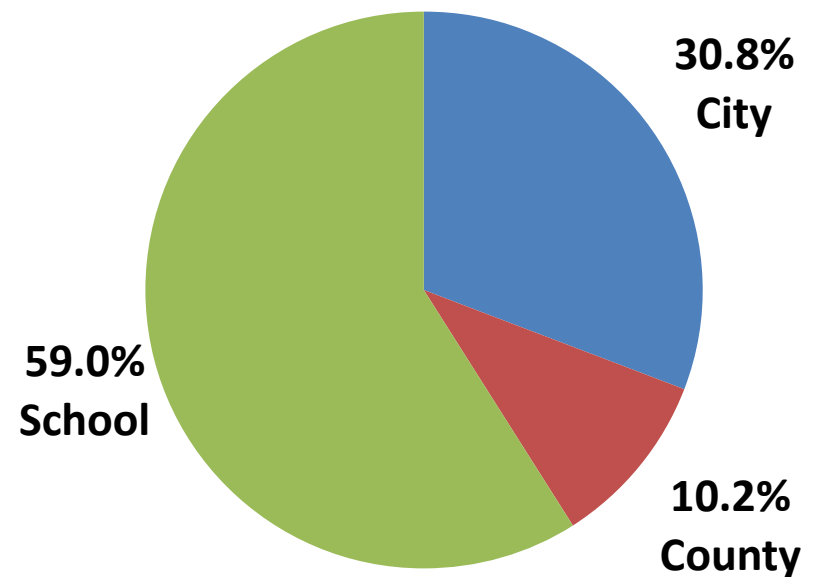
- Direction from City Council and FPAC
  - Focus on priorities, mandates and sustainability
  - Focus on core missions
- Fiscal Reality
  - Continually reevaluate how local government is managed
  - Always consider affordability
  - Take a long-term perspective
- The Evaluation Process
  - Program delivery approach based on collaboration and cooperation

# City of Concord Property Taxes

## Concord



## Penacook



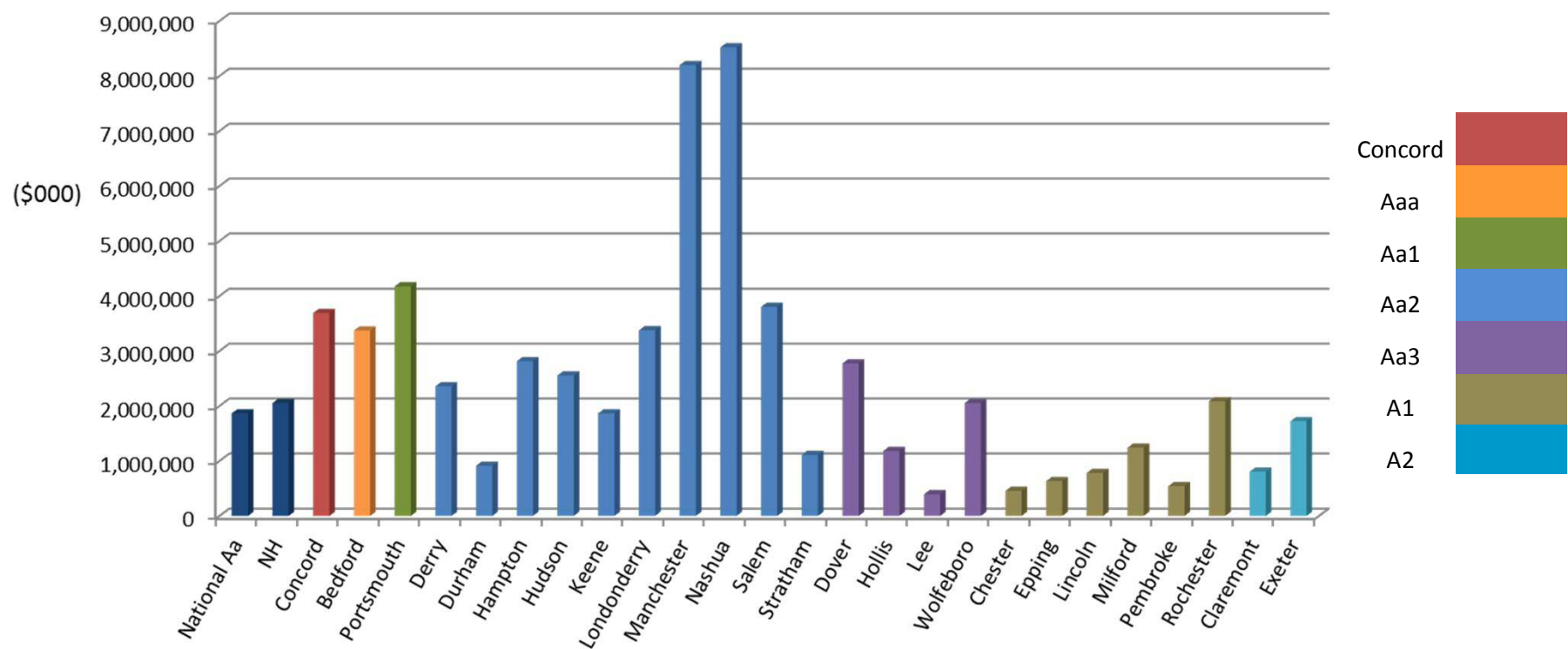
# City's Bond Ratings

Standard & Poor's Upgrade: AA  
with a Positive Outlook to AA+

Moody's: Aa1

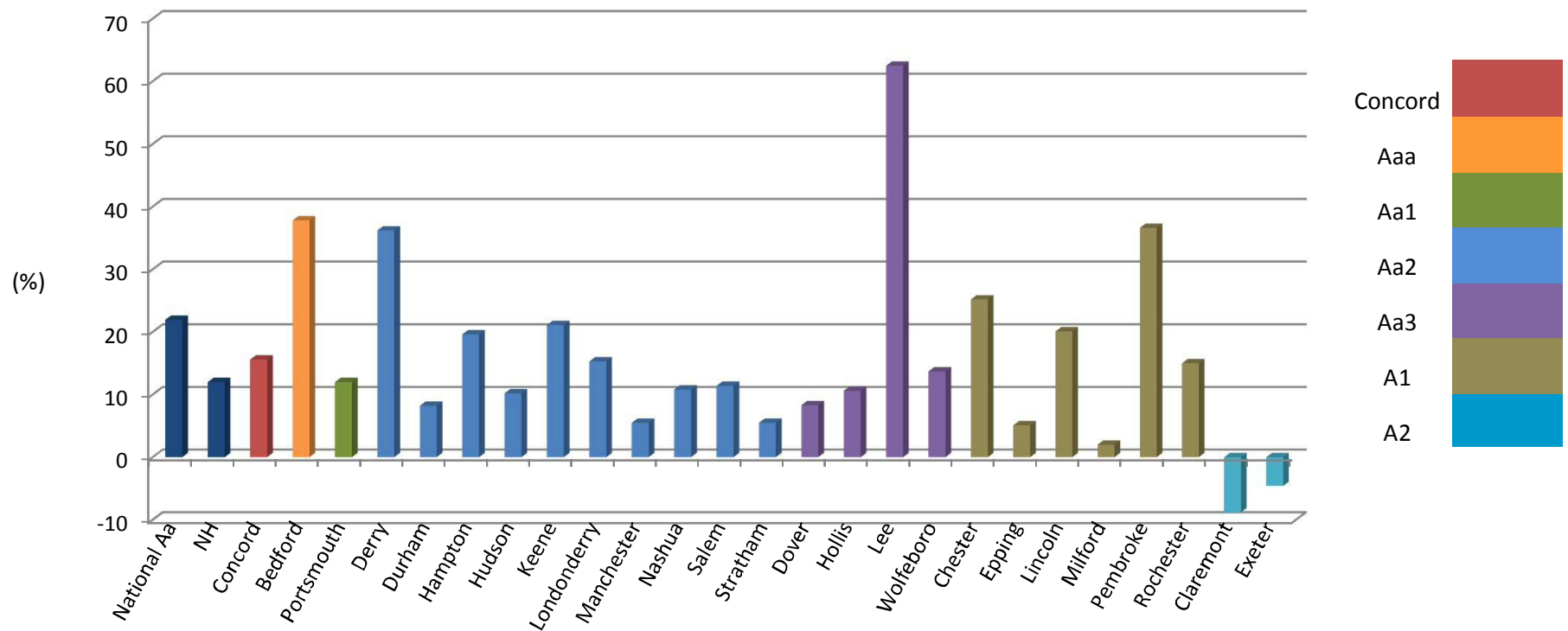
# Bond Ratings & Tax Base Size

First Southwest Company Data 2013



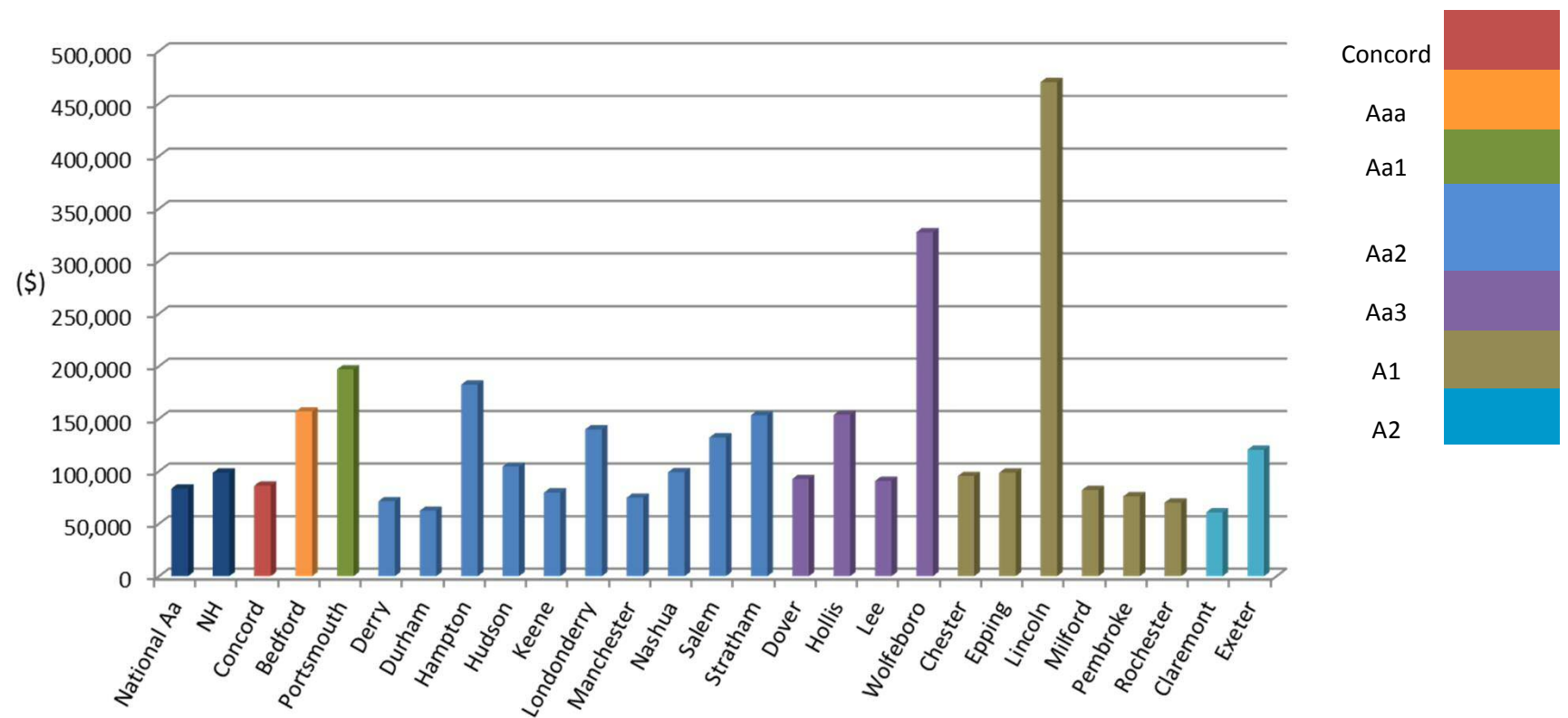
# Unassigned Fund Balance as % of Revenues

First Southwest Company Data 2013



# Full Value Per Capita

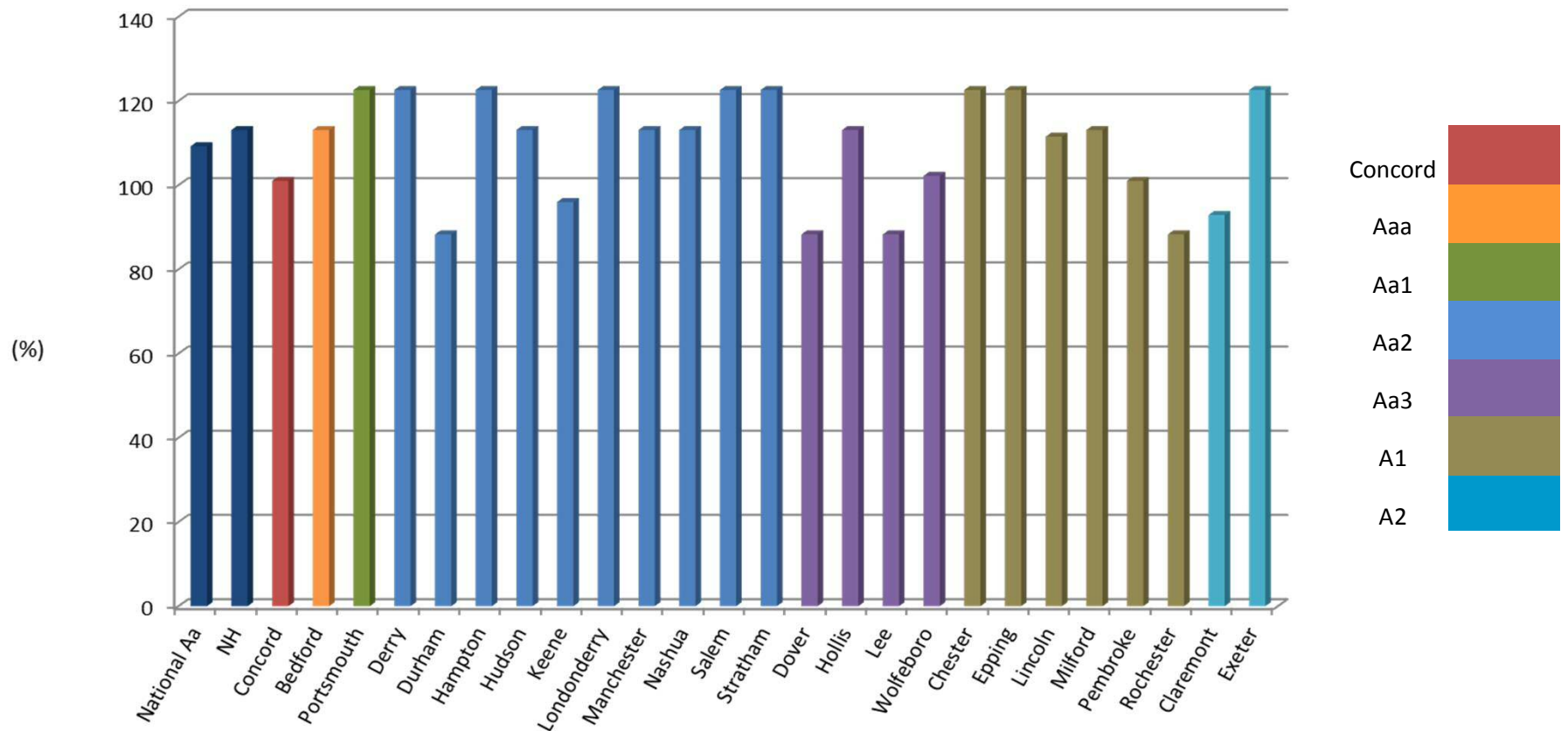
First Southwest Company Data 2013





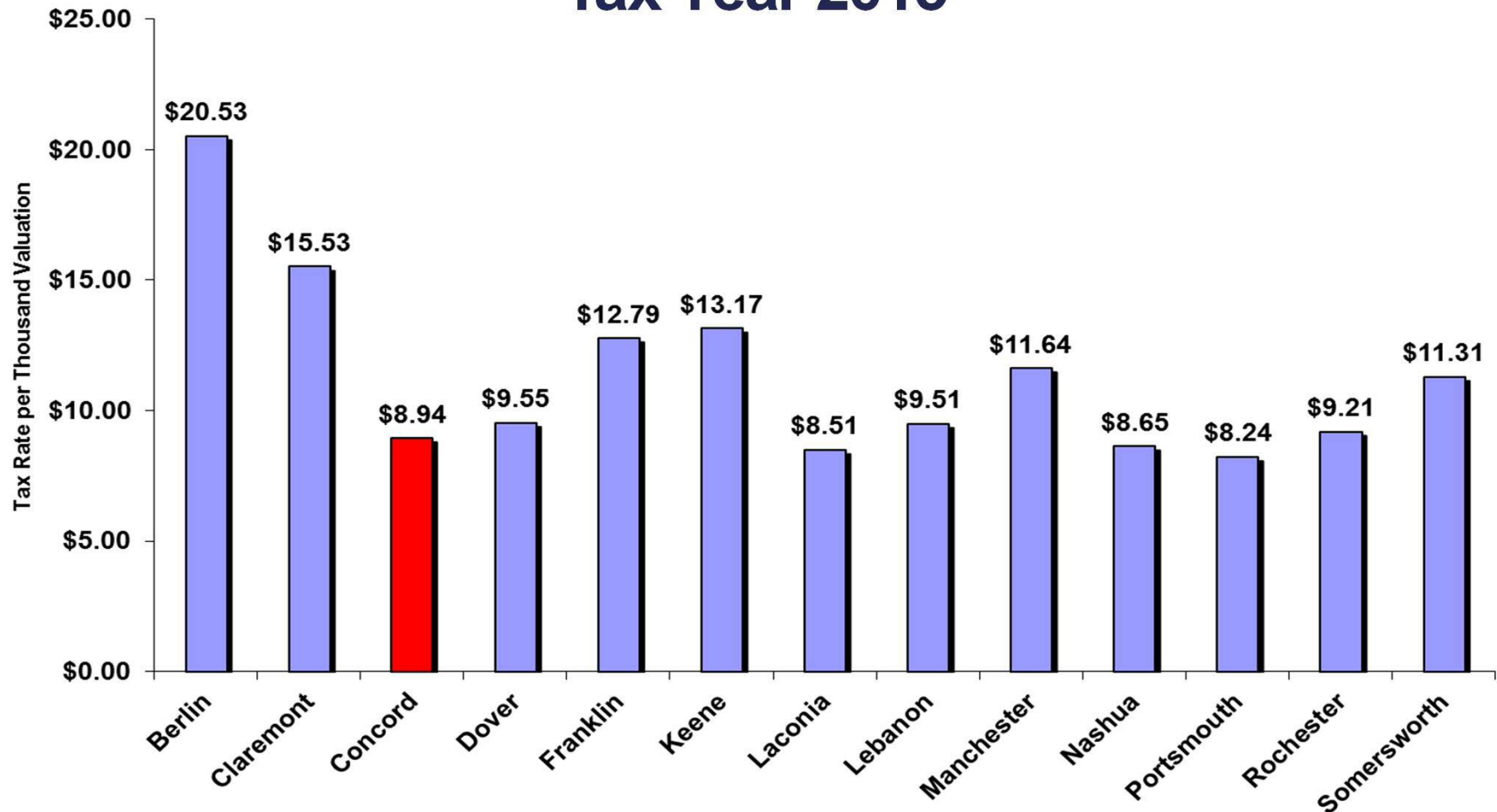
# Per Capita Income as % of United States

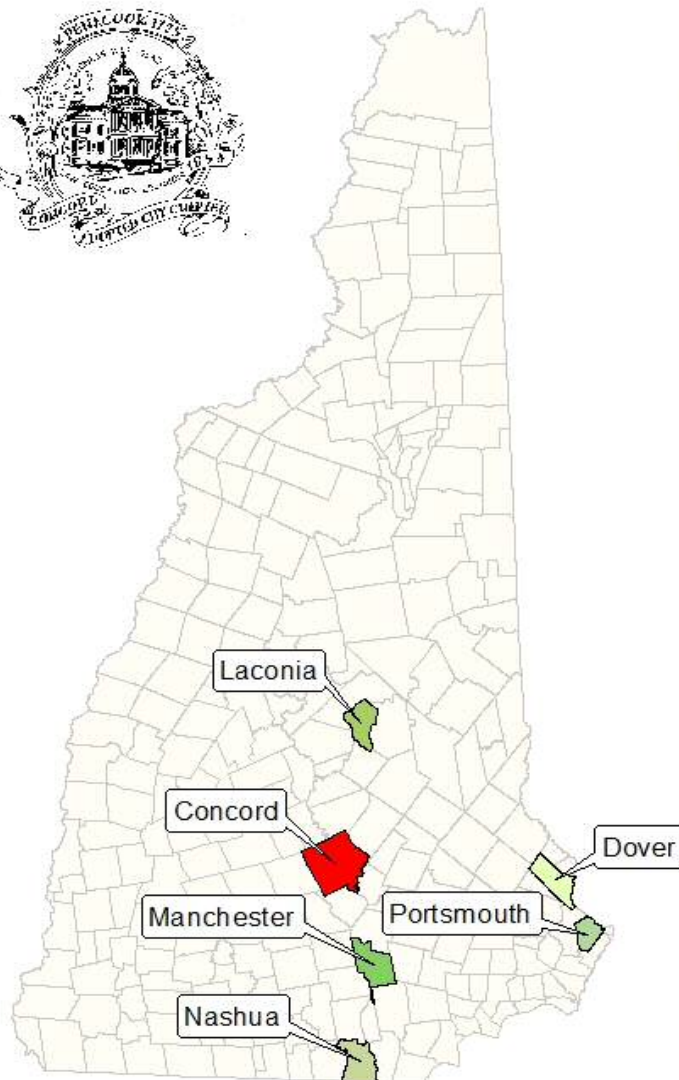
US Department of Commerce  
Bureau of Economic Analysis 2013



# How does Concord's Full Value Municipal Tax Rate compare with Other New Hampshire Cities?

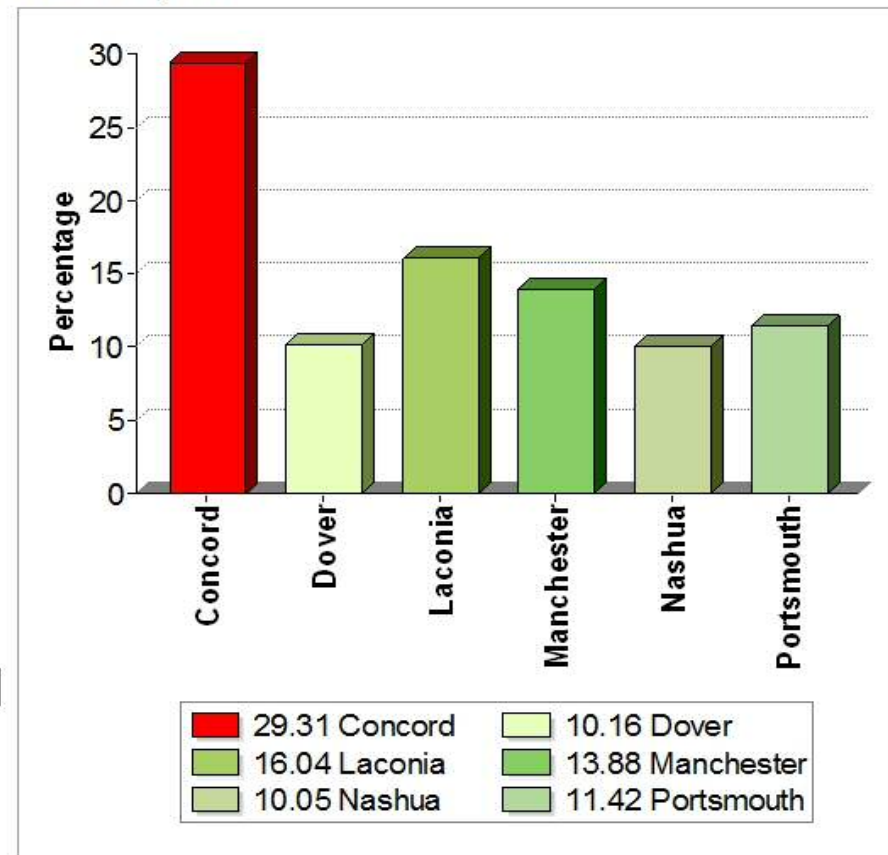
## Tax Year 2013





## Percent Value Tax Exempt Comparable Cities In New Hampshire

Printed: May 2014



*City of Concord, New Hampshire  
Engineering Services Division*

# Economic Strength Rankings

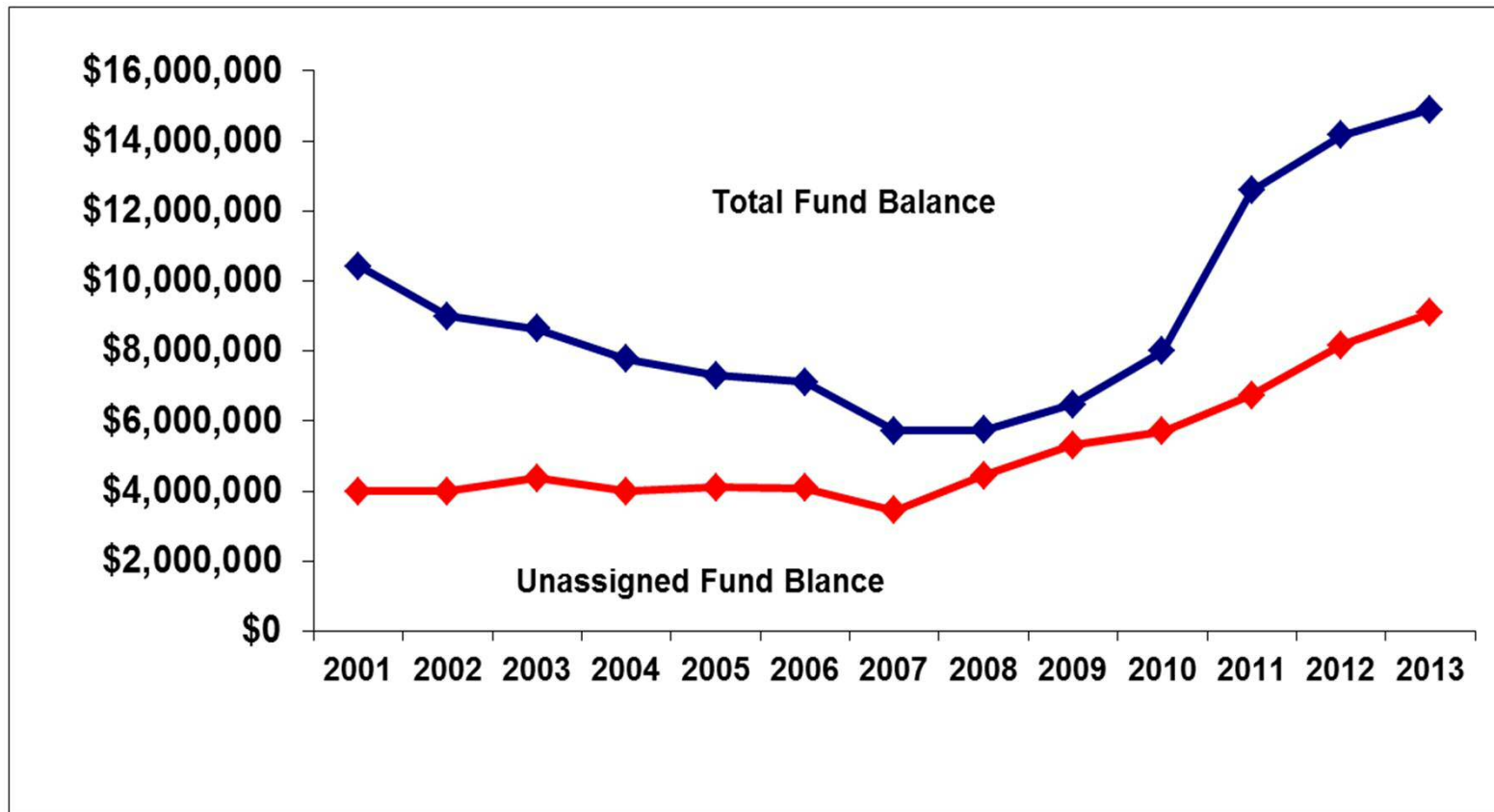
## Micropolitan Statistical Areas

Policom Corp

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Concord, NH</b>	<b>1</b>	<b>1</b>	<b>4</b>	<b>8</b>	<b>5</b>	<b>3</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Helena, MT</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>6</b>	<b>9</b>	<b>13</b>	<b>23</b>	<b>7</b>	<b>14</b>	<b>37</b>
<b>Lexington Park, MD</b>	<b>3</b>	<b>3</b>	<b>5</b>	<b>13</b>	<b>11</b>	<b>16</b>	<b>22</b>	<b>66</b>	<b>58</b>	<b>33</b>
<b>Williston, ND</b>	<b>4</b>	<b>22</b>	<b>110</b>	<b>195</b>	<b>319</b>	<b>417</b>	<b>516</b>	<b>571</b>	<b>571</b>	<b>570</b>
<b>Watertown- Fort Drum, NY</b>	<b>5</b>	<b>7</b>	<b>13</b>	<b>23</b>	<b>33</b>	<b>30</b>	<b>64</b>	<b>85</b>	<b>160</b>	<b>212</b>
<b>Lebanon, NH-VT</b>	<b>6</b>	<b>8</b>	<b>8</b>	<b>16</b>	<b>7</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>3</b>	<b>6</b>
<b>Minot, ND</b>	<b>7</b>	<b>12</b>	<b>21</b>	<b>53</b>	<b>93</b>	<b>107</b>	<b>140</b>	<b>157</b>	<b>213</b>	<b>220</b>
<b>Dickinson, ND</b>	<b>8</b>	<b>16</b>	<b>108</b>	<b>177</b>	<b>270</b>	<b>352</b>	<b>411</b>	<b>466</b>	<b>433</b>	<b>371</b>
<b>Barre, VT</b>	<b>9</b>	<b>15</b>	<b>28</b>	<b>29</b>	<b>19</b>	<b>17</b>	<b>11</b>	<b>21</b>	<b>18</b>	<b>19</b>
<b>Paducah, NY</b>	<b>10</b>	<b>31</b>	<b>33</b>	<b>44</b>	<b>20</b>	<b>19</b>	<b>15</b>	<b>37</b>	<b>26</b>	<b>67</b>

# Total Fund Balance & Unassigned Fund Balance

## 2001 – 2013 Actuals



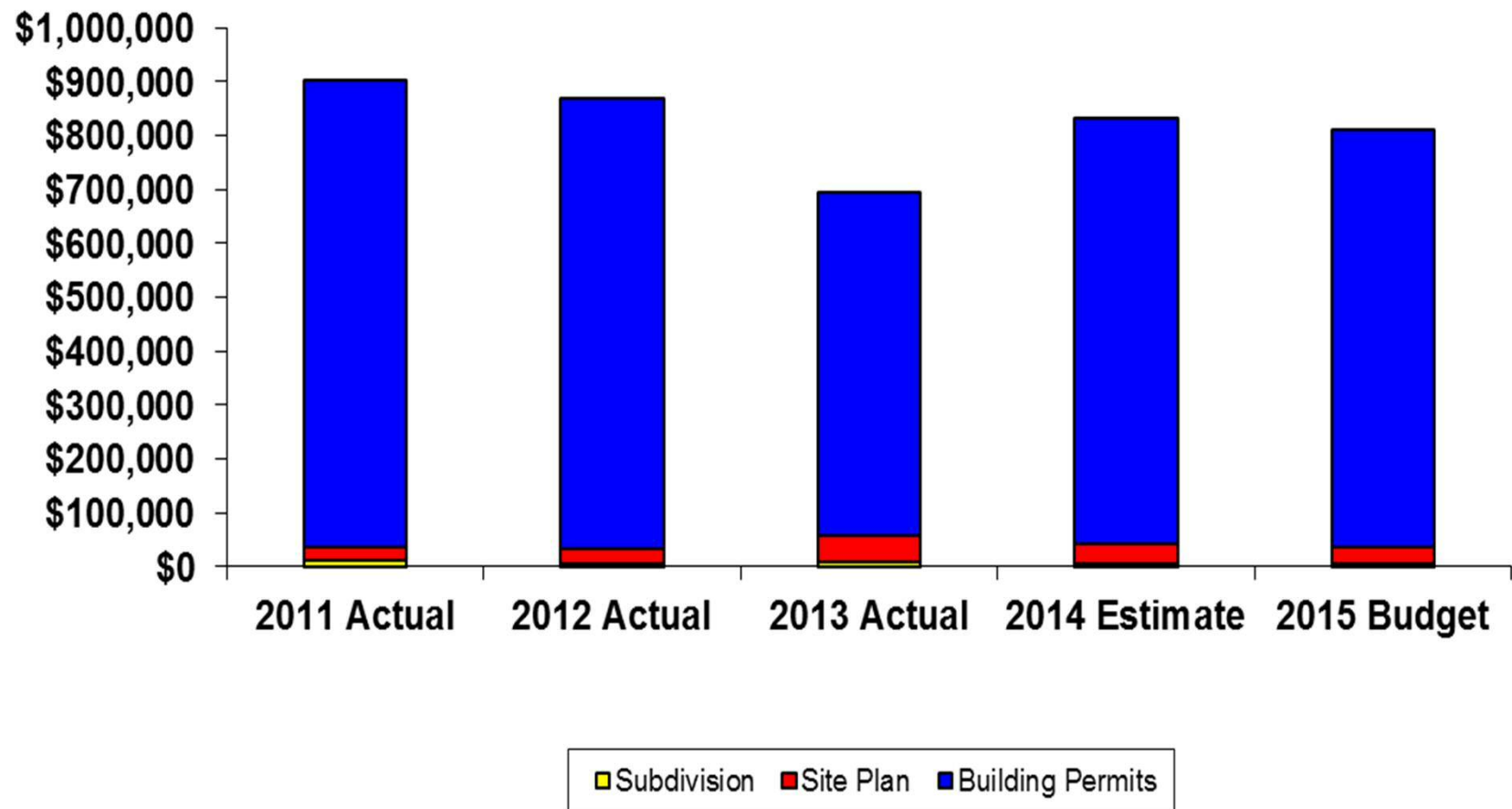


## FY 2015 Budget – Items of Note

- Planning & Permitting Revenues
- Motor Vehicle Registrations
- Worker's Compensation Costs
- Balanced Budget
- Cost Drivers

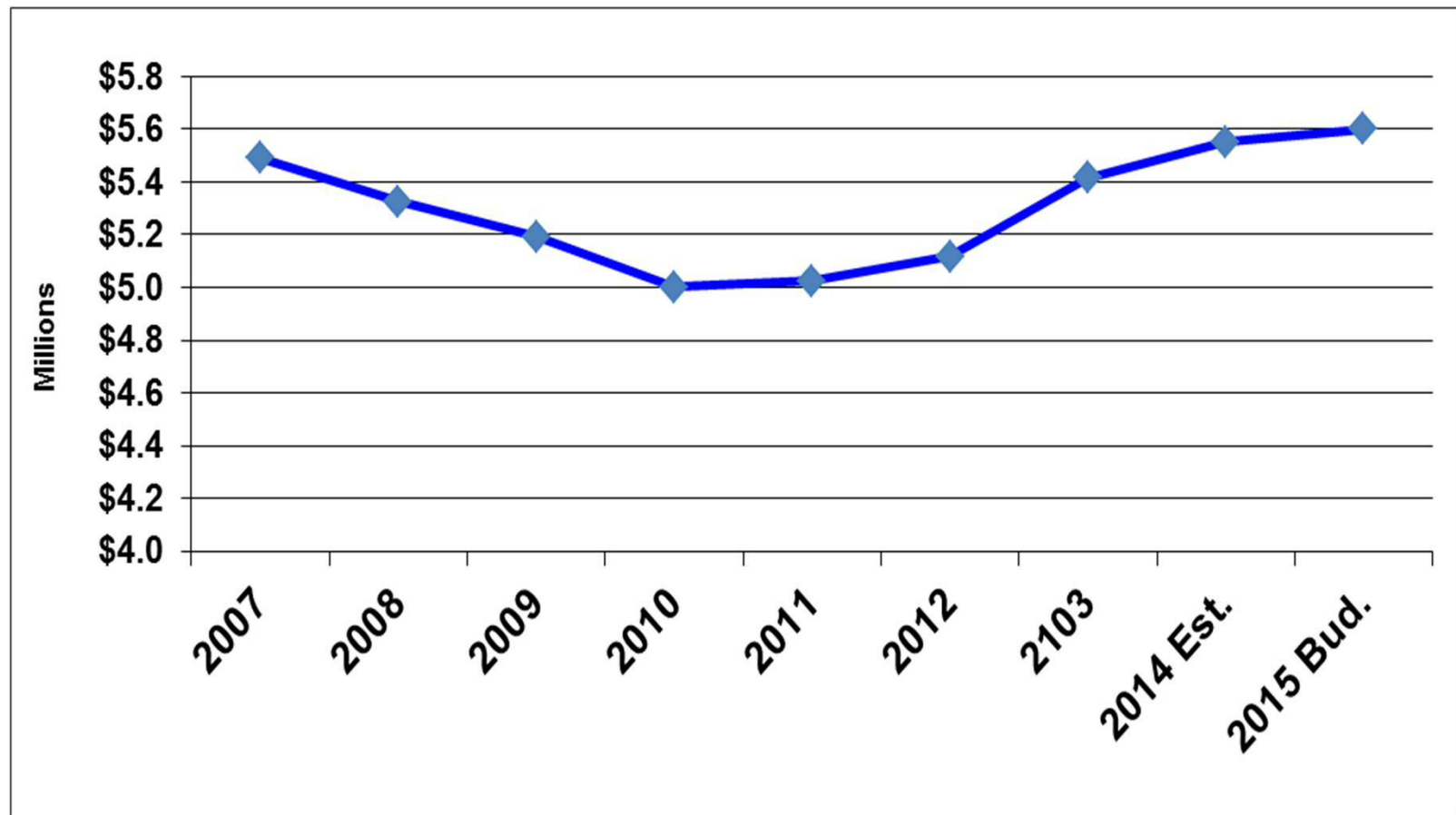
# Planning & Permitting Revenue

## Fiscal Years 2011- 2015



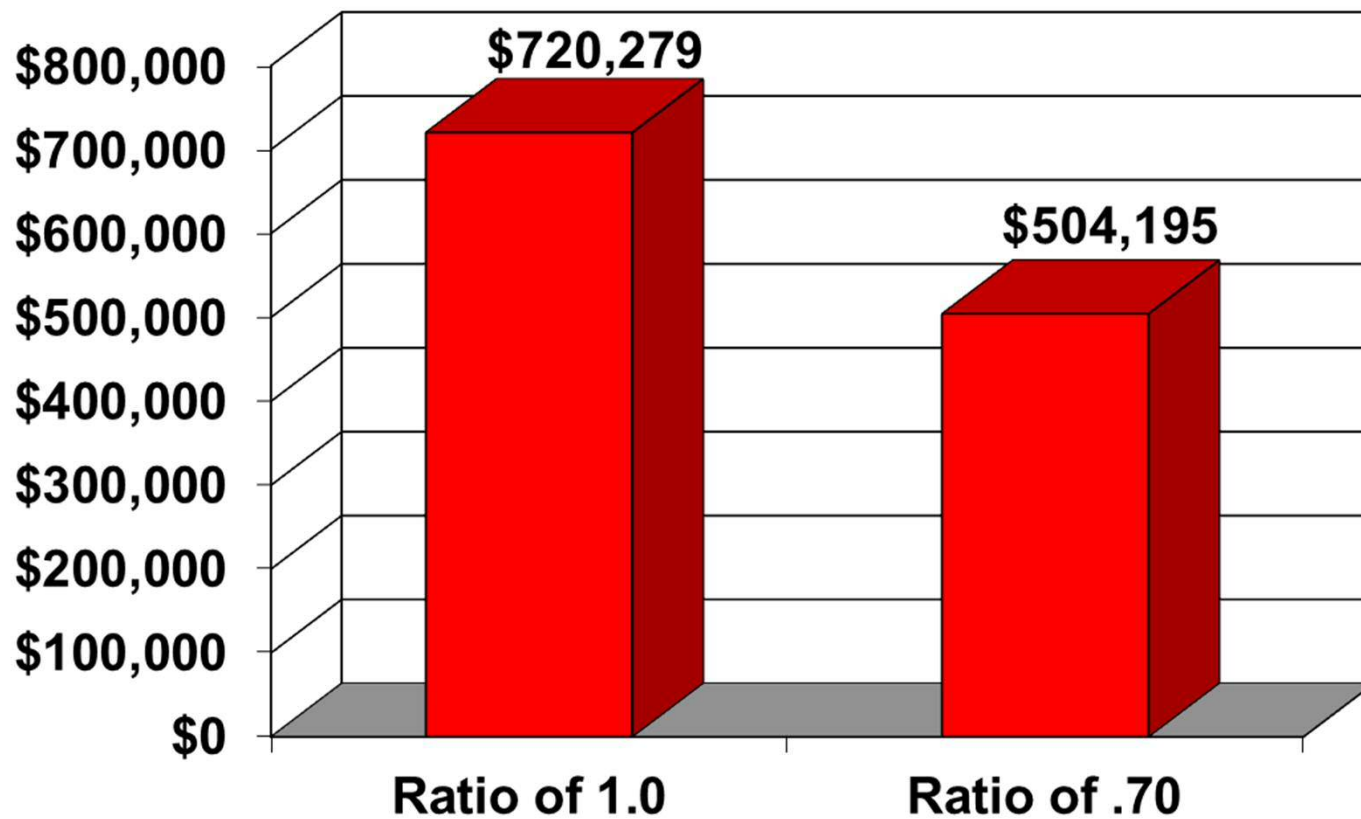
# Motor Vehicle Registration Revenue

## Fiscal Years 2007 - 2015





# Worker's Compensation Costs





Balanced Budget Milestone

6<sup>th</sup> Year

No use of Unassigned Fund Balance



# FY 2015 BUDGET

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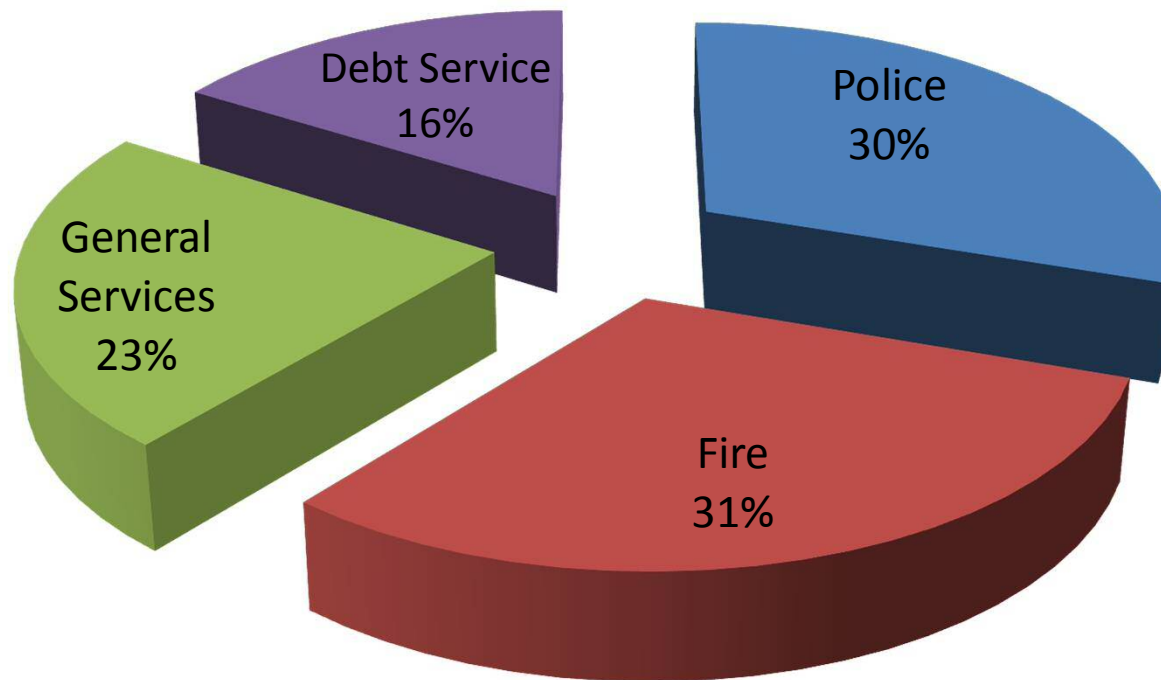
# FY 2015 Proposed Appropriations

<b>Budget Fund</b>	<b>FY 2015 Proposed</b>
<b>General Operating</b>	<b>\$54,989,019</b>
<b>Parking – Special Revenue</b>	<b>\$2,069,048</b>
<b>Airport – Special Revenue</b>	<b>\$435,909</b>
<b>CDD – Special Revenues</b>	<b>\$379,942</b>
<b>Beaver Meadow Golf Course</b>	<b>\$952,073</b>
<b>Everett Arena</b>	<b>\$637,630</b>
<b>Water Utility</b>	<b>\$5,861,070</b>
<b>Wastewater Utility</b>	<b>\$7,119,609</b>
<b>Solid Waste</b>	<b>\$4,052,957</b>
<b>Capital Project General</b>	<b>\$10,820,620</b>
<b>Tax Increment Financing</b>	<b>\$1,364,435</b>
<b>Grand Total Operating &amp; Capital</b>	<b>\$88,682,312</b>

## Recommended Municipal Tax Rate Increase of 2.99%

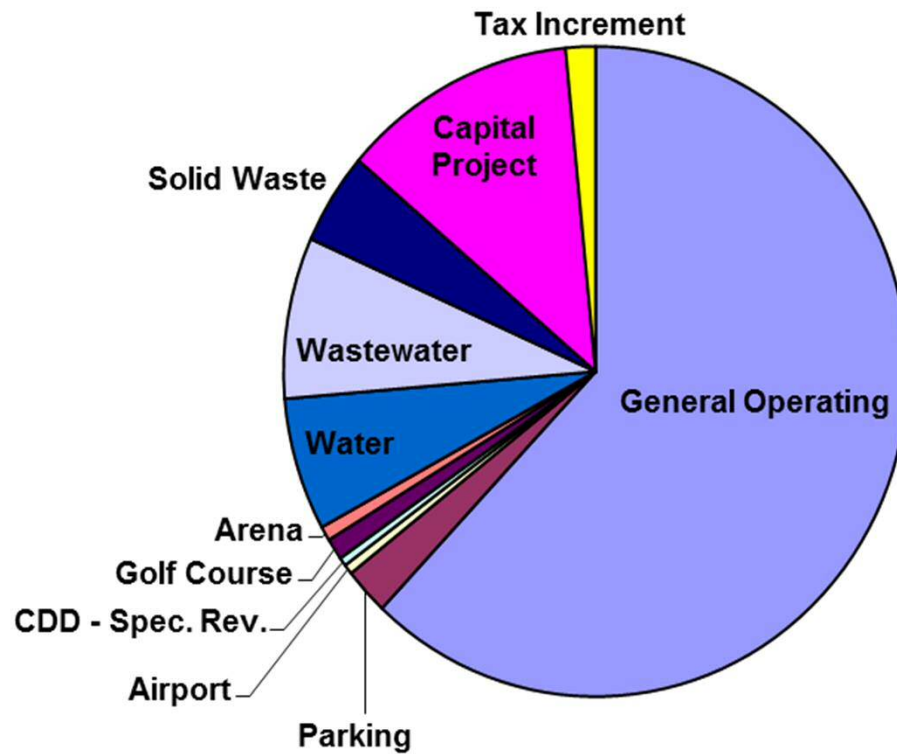
- State of New Hampshire Downshift of Retirement Costs for FY 2015 = \$1,103,000 in the General Fund equivalent to 2.01%
- Paving Manager to General Fund = \$81,400 or 0.15%
- Additional costs for utilities = \$131,900 or 0.24%
- Additional costs for added Police Officer positions due to expiring grant funds for FY 2015 = \$116,400 in the General Fund equivalent to 0.21%
- Increase in debt service costs for previously approved projects = \$452,000 or 0.82%
- Together these equal approximately a 3.43% increase

## What do property taxes pay for?



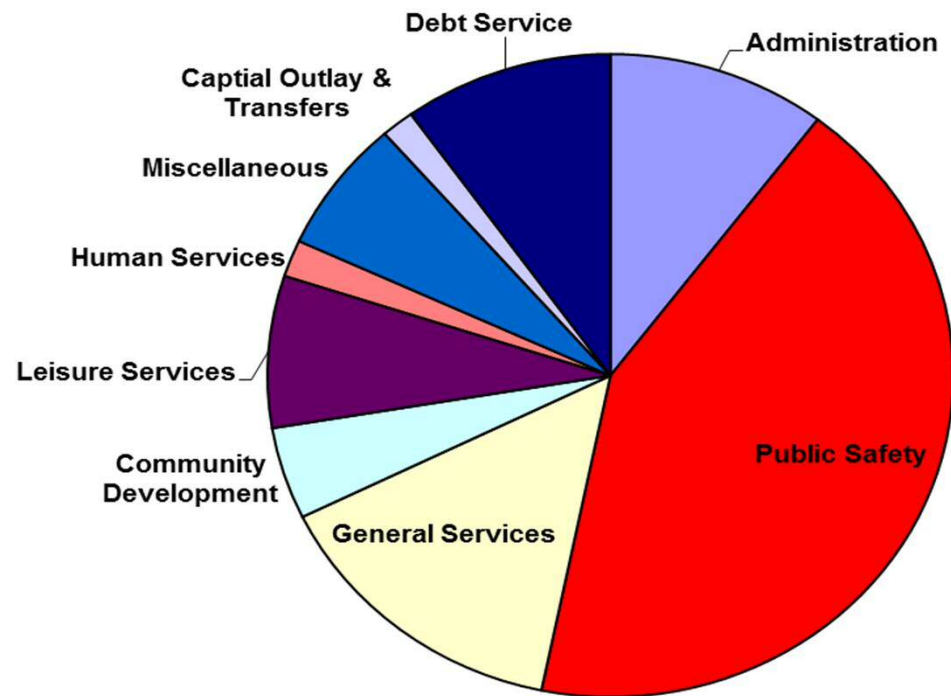
# All Funds Appropriations

## Fiscal Year 2015



# General Fund Operating Budget

## Fiscal Year 2015





# Changes in Staffing Levels

- Significant staffing reductions have been made throughout the City over the last several years
- A total of 33 full-time equivalent positions have been eliminated since 2009
- Staffing profile remains essentially the same

# Police Department

Reductions include:

- Managed cost savings due to existing vacancies (\$200,000)

Additions Include:

- Costs for expiring grants for police officers \$116,400
- Equipment Replacement \$32,700
- Improvements to Police Station \$550,000

Overall Operating FY14 Budget to FY15 Budget: Up 1.8% or \$53,814 in the Operating Budget + \$140,000 for Police Cars now in CIP 575

# Fire Department

Additions include:

- Capital Items: Roof Repairs \$50,000
- Local Emergency Operations Plan Update \$2,500

Overall Operating FY14 Budget to FY15 Budget: Up 1.8%  
or \$225,699

# General Services Department

Reductions include:

- Managed cost savings due to existing vacancies (\$40,000)
- (\$229,000) reduction in transfer to Solid Waste

Additions include:

- Bulk Diesel Exhaust Fluid Filling Equipment \$8,600
- Asbestos Pipe Handling and Disposal \$4,450
- AUDI Steam Heat Renovations \$9,400

Overall Operating FY14 Budget to FY15 Budget: Down 0.3% or \$25,239

# Community Development Department

Additions include:

- Open Space Plan Update \$30,000 – Offset with \$30,000 from Forestry Trust
- Trailhead Plowing \$9,000 – Offset with \$9,000 from Forestry Trust

Overall Operating FY14 Budget to FY15 Budget: Up 2.9% or \$70,484

# Library

Additions include:

- Replace Lounge Seating \$8,330
- New Technology Cart and Devices for Laptop Usage for Card Holders in the Library \$2,772

Overall Operating FY14 Budget to FY15 Budget: Up 1.7%  
or \$27,753

# Parks & Recreation Department

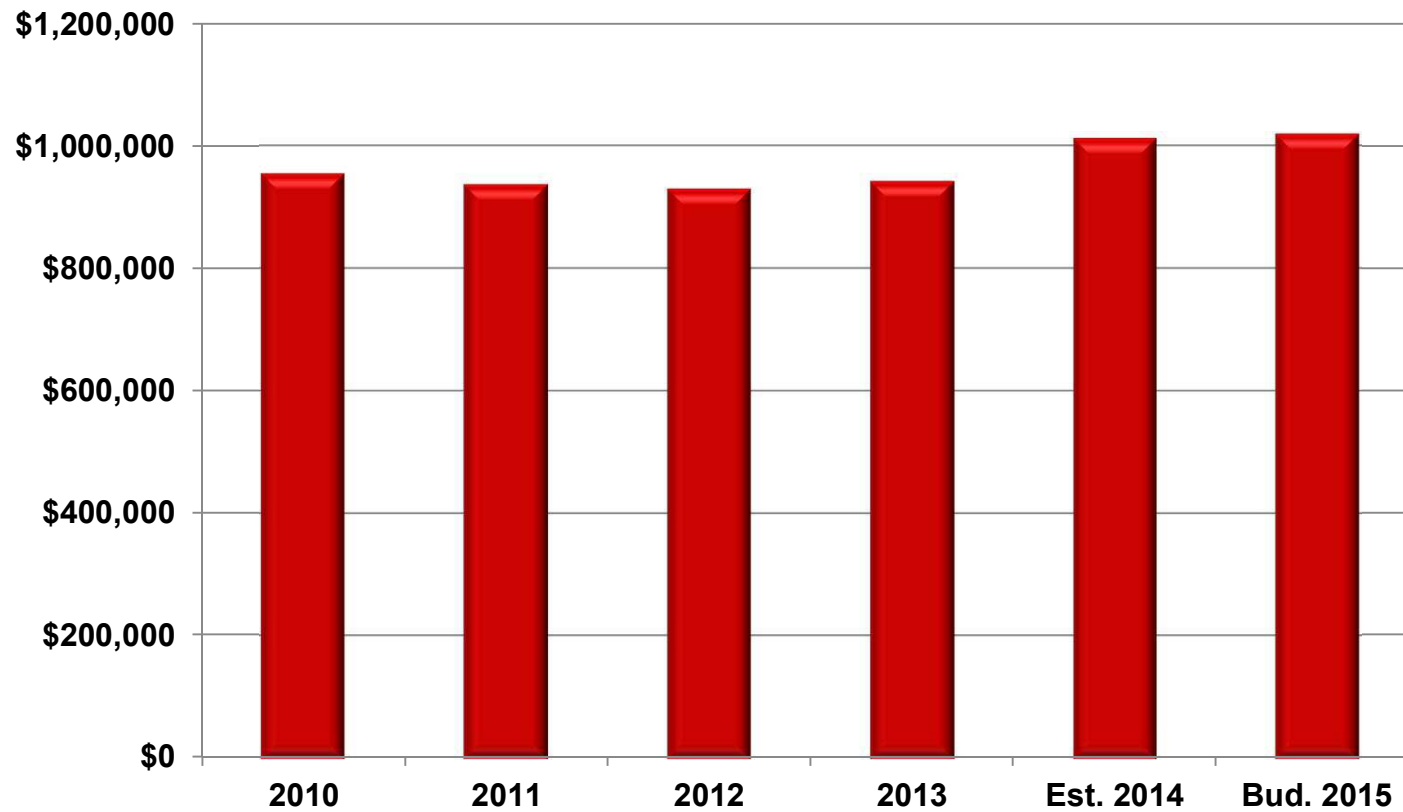
Minor change to organizational structure of supervision of parks positions

Additions include:

- Seasonal Staffing wages \$13,800
- July 4<sup>th</sup> Fireworks \$30,000

Overall Operating FY14 Budget to FY15 Budget: Up 6.6%  
or \$159,180

# Human Services Expenses







# Support for Social Services

- Overall funding is recommended at \$191,780
- Funding is sustained for Senior Transport & Special Transit and the Community Action Program
- Funding is sustained for agencies providing shelter for the homeless and rape and domestic violence victims
- Funding is sustained for the Penacook Community Center

# Water Enterprise Fund

- Rate increase of 2.44% is recommended, the projection was 4.50% at this time last year.
- FY14 was budgeted for a \$476,608 loss; estimated loss is \$458,522.
- FY15 is budgeted for a \$299,175 loss with the increase in rate as recommended.
- Sufficient working capital reserves remain in place.

# Waste Water Enterprise Fund

- Rate increase of 2.69% is recommended, lower than the 2.75% projected last year.
- FY14 was budgeted for a \$378,558 loss; estimated gain is \$336,045.
- FY15 is budgeted for a \$110,104 gain with the increase in rate as recommended.
- Sufficient working capital reserves remain in place.

# Solid Waste Special Revenue Fund

- No recommended rate change in FY15 Budget.
- FY14 was budgeted for a \$347,315 loss; estimated loss is \$320,010.
- FY15 is budgeted for a \$104,960 loss.
- Action required going forward to maintain adequate reserves beyond FY 2015.
- Recommendation: Now that the Collection and Disposal Services contract has been awarded, review the PAYT Program in CY 2014.

# Parking Special Revenue Fund

- Parking Fund: No recommended rate change in FY15.
- FY14 was budgeted for a \$71,893 loss; estimated loss is \$12,095.
- FY15 is budgeted for a \$77,618 loss.
- Note: Have reduced revenue estimate on Main Street Meter Collection by \$124,000 for the time Main Street is under reconstruction as part of Complete Street Project.
- Insufficient working capital reserves in place. Vigilance is required throughout the fiscal year.
- City Council to review request for a Comprehensive Parking Study at its regular June meeting.

# Golf Enterprise Fund

- FY14 was budgeted for a \$5,590 gain; estimated gain is \$13,689.
- FY15 is budgeted for a \$13,882 gain.
- Insufficient working capital reserves currently in place. Vigilance is required throughout the fiscal year.

# Arena Enterprise Fund

- FY14 was budgeted for a \$69,798 loss; estimated loss is \$60,896.
- FY15 is budgeted for a \$37,651 loss.
- Sufficient working capital reserves in place.

# Airport Special Revenue Fund

- FY14 was budgeted for a \$27,268 loss; estimated loss is \$38,828.
- FY15 is budgeted for a \$56,659 loss.
- Significant working capital reserves in place.
- Contract negotiations underway with the current Fixed Based Operator.

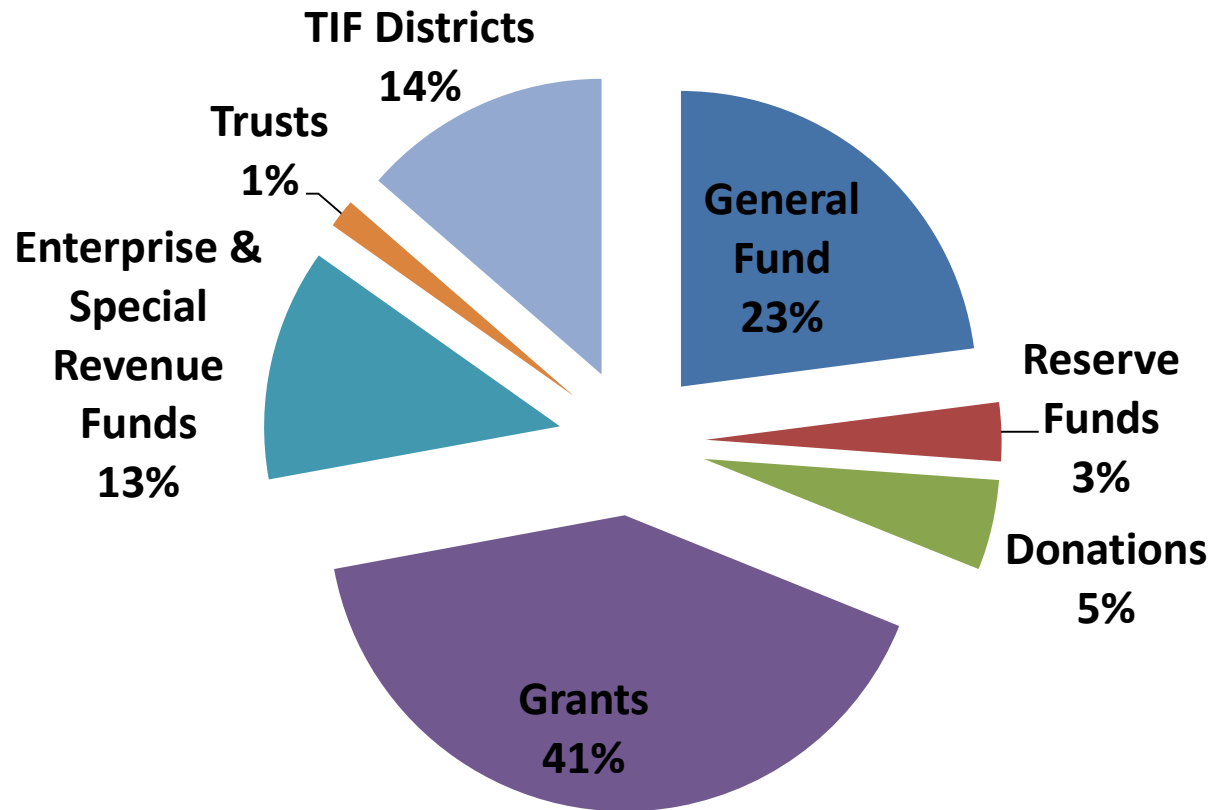




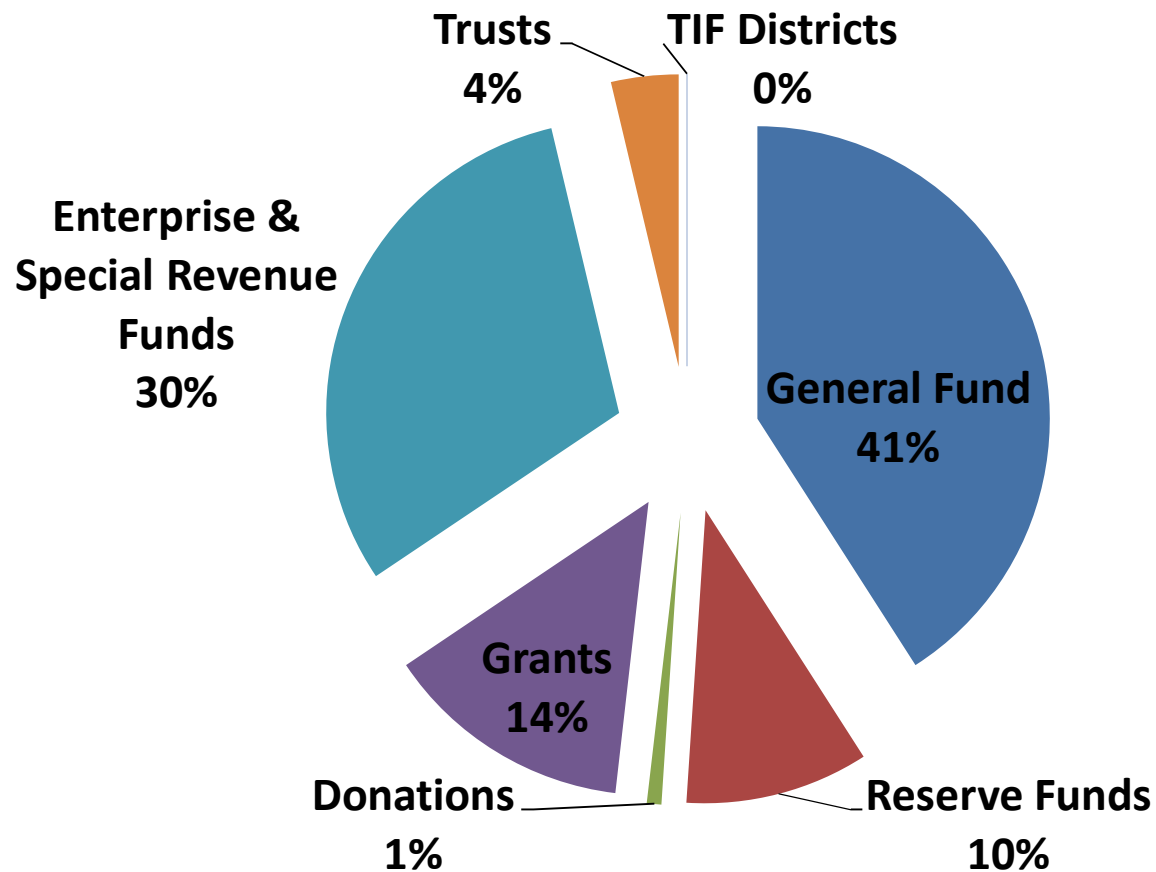
# CAPITAL IMPROVEMENT PROGRAM

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# FY 2014 Capital Improvement Program By Funding Source

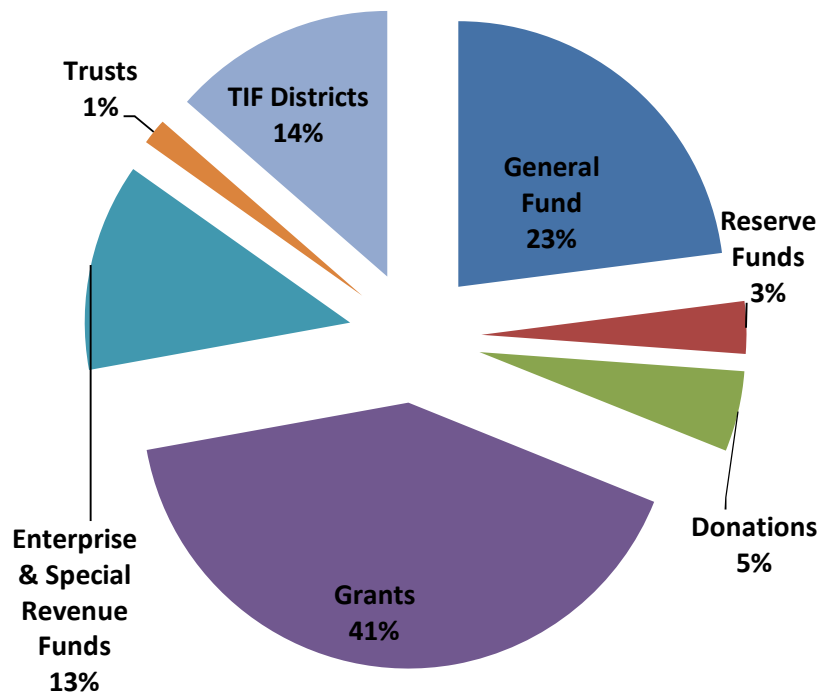


# FY 2015 Capital Improvement Program By Funding Source

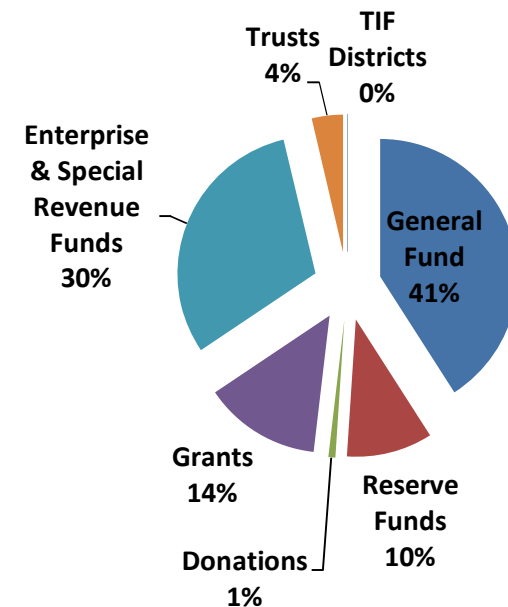


# Capital Improvement Program By Funding Source

Fiscal Year 2014 = \$37,244,636



Fiscal Year 2015 = \$13,454,693



# Water Treatment Plant

CIP #88

\$1,253,554

Equipment  
Replacement &  
Improvements to  
Chemical  
System

(Water Fund)



# Annual Road Program

CIP #78

\$1,137,500

10% increase in paving from FY14

5 Step Plan for Increased Paving Work on Neighborhood Streets





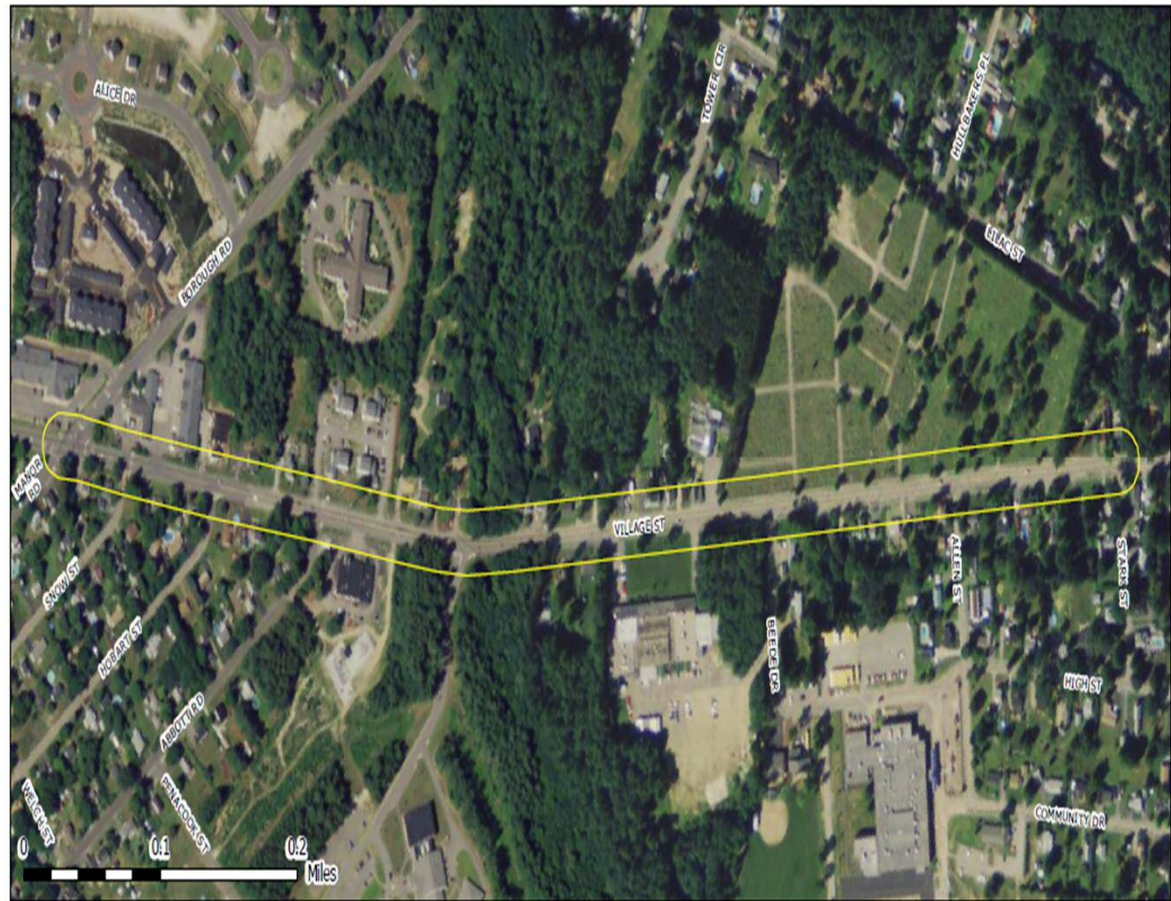
# Route 3 North Village Street

# CIP #35

\$2,509,000

# Borough Road to Stark Street

(\$2,225,000 Bond,  
\$174,000 Highway  
Reserve, and  
\$110,000 Impact  
Fees)



# Police Station Improvements

CIP #484

\$550,000

- Doors
- Windows
- Carpet & Tile
- Fire Alarm Panel
- HVAC





# Horseshoe Pond Drainage

CIP #571

\$600,000

- State \$460,000
- City \$140,000
- Watershed Management Study
- Design, Permitting & Construction Improvements



# Green Street Community Center

CIP #63

\$175,000

Replace Wood  
Floor in gym





# Douglas N. Everett Arena

CIP #64

\$85,000

- Replace Exterior Signage
- Upgrade Chiller System
- Undertake an Arc Flash Assessment

(Arena Fund)



# Neighborhood Community Pools

CIP #63

\$85,000

Temporary  
Repairs for  
Pools:

- Keach
- Merrill
- Kimball
- Rolfe





# Memorial Field

CIP #557

\$262,861

- Concession Stand
- Electrical Work



# Beaver Meadow Golf Course

CIP #107, #235 &  
#530

\$205,000

- HVAC Improvements
- Drainage Improvements
- Pavement Work
- Tee Box Work
- Mower

(Golf Fund)





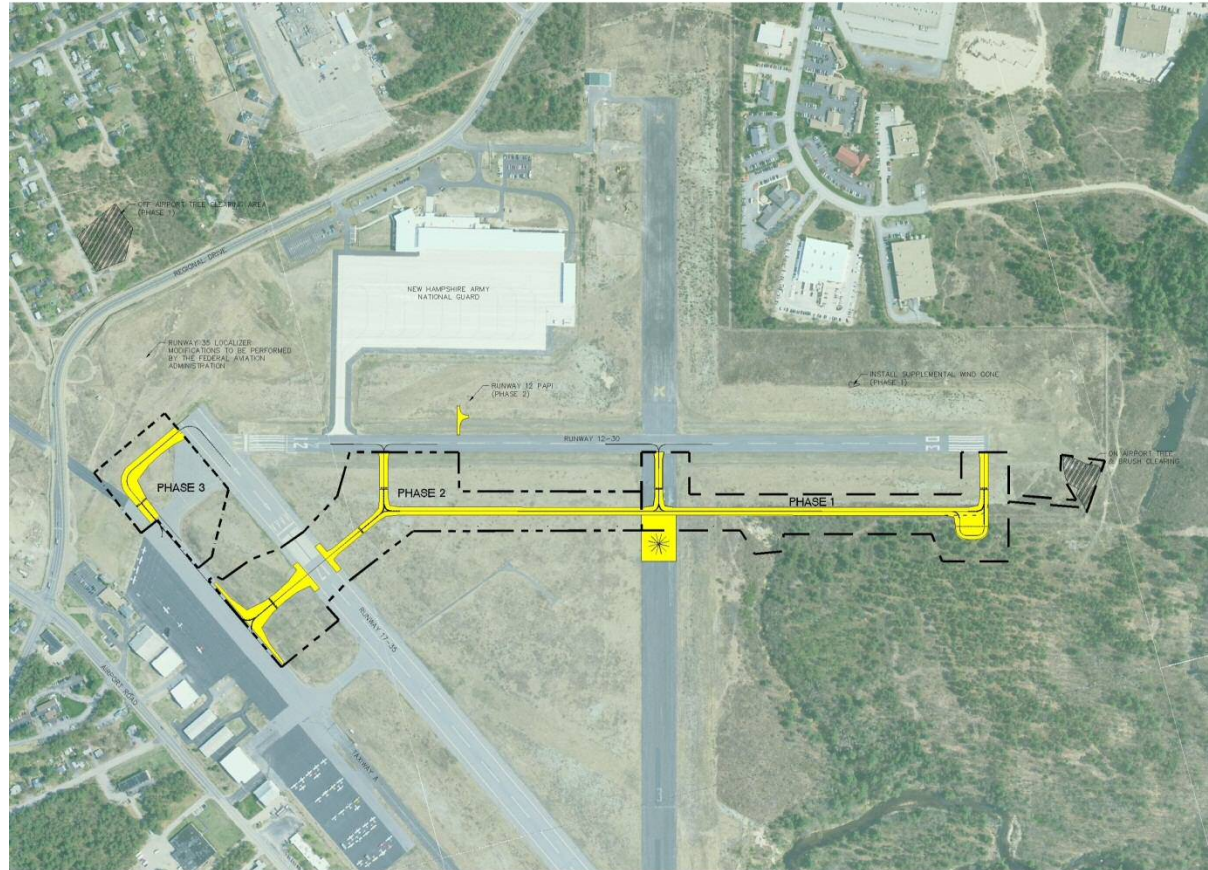
# Concord Municipal Airport

CIP #75, #77, #468,  
#492, and #543

\$1,502,446

- General Repairs
- Addition to Snow Removal Building
- Equipment
- Taxiway A Rehabilitation Design
- Runway Protection Zone Obstruction Removal
- Tie Down Rehab and Expansion Design

(Federal/State/Fund)

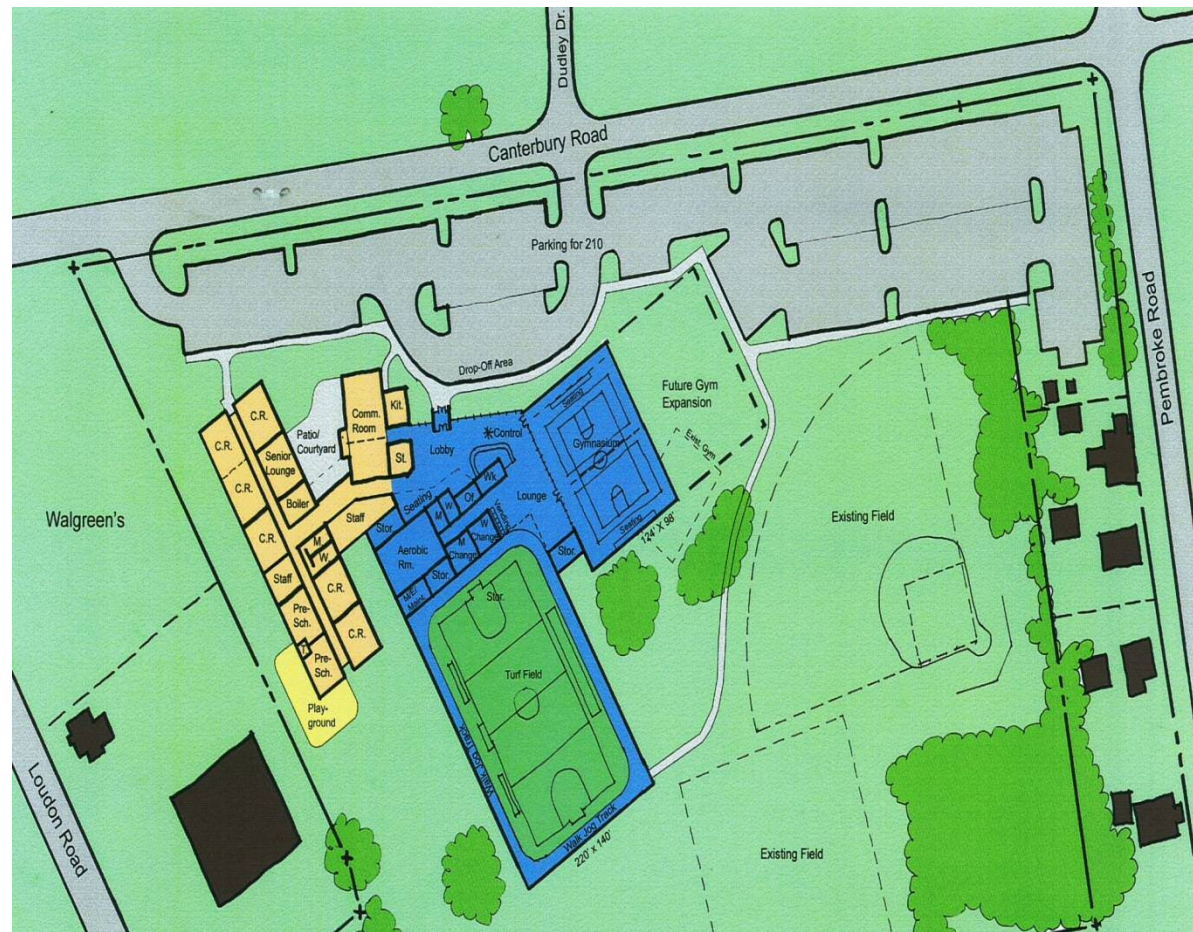


# City-Wide Community Center at Keach Park

CIP #443

\$651,730

Final Design  
including Bid  
Specifications





# Need to Focus on Going Forward

- OPEB Accrued Actuarial Liability of \$44,600,000 (a decrease of \$800,000 this year)
- PAYT – Expenses Exceed Revenue
- Parking Fund – Changes in Downtown Operations
- Downtown Complete Street Project: Capital & Operating (Separate from FY15 Proposed Budget)

# Fiscal Year 2015 Budget

May 19, 2014

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